



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

THR Fort Worth

Respondent Name

City of Fort Worth

MFDR Tracking Number

M4-14-3432-01

Carrier's Austin Representative

Box Number 04

MFDR Date Received

July 17, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Outpatient Hospital Rule 134.03, HCPS's are payable at 200% of the correct fee schedule allowable. We submitted an appeal to the carrier but they have chosen to deny our request."

Amount in Dispute: \$46.78

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Respondent respectfully submits that it has adhered to CMS policy as required by 28 TAC, Chapter 134 and its denial of disputed codes is correct."

Response submitted by: CorVel Corporation

SUMMARY OF FINDINGS

Date(s) of Service	Disputed Services	Amount In Dispute	Amount Due
February 2, 2014	Outpatient Hospital Services	\$46.78	\$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the fee guidelines for outpatient acute care hospital services.
3. 28 Texas Administrative Code §134.203 sets out the fee guidelines for professional medical services.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - B151 – Procedure/Service is not paid separately
 - RN – Not paid under OPPS; services included in APC rate

Issues

1. What is the applicable rule for determining reimbursement for the disputed services?
2. What is the recommended payment amount for the services in dispute?
3. Is the requestor entitled to reimbursement?

Findings

1. 28 Texas Administrative Code §134.403(d) states in pertinent part, "For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided." Per MLN Matters® Number: SE1412, found at www.cms.hhs.gov, In the January 2014 update to the hospital OPps (CR 8572 issued December 27, 2013), the Centers for Medicare & Medicaid Services (CMS) implemented a new policy under the CY 2014 OPps final rule, providing packaged payment of outpatient lab tests (other than molecular pathology) under the OPps rather than separate CLFS payment, effective for dates of service on or after January 1, 2014. In the Medicare claims system, packaged payment would apply to all lab tests (other than molecular pathology) billed by OPps hospitals on a 013X Type of Bill (TOB) (Hospital Outpatient). As per the OPps final rule, CMS created very limited exceptions to the packaging policy and instructed hospitals to use the 014X TOB (Hospital Non-Patient) to obtain separate payment only in the following circumstances: (1) Non-patient (referred) specimen; (2) A hospital collects specimen and furnishes only the outpatient labs on a given date of service; or (3) A hospital conducts outpatient lab tests that are clinically unrelated to other hospital outpatient services furnished the same day. "Unrelated" means the laboratory test is ordered by a different practitioner than the practitioner who ordered the other hospital outpatient services, for a different diagnosis." Review of the submitted documentation finds none of the exceptions listed above are met. The carrier's denial is supported.
2. Under the Medicare Outpatient Prospective Payment System (OPps), each billed service is assigned an Ambulatory Payment Classification (APC) based on the procedure code used, the supporting documentation and the other services that appear on the bill. A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC per encounter. Payment for ancillary and supportive items and services, including services that are billed without procedure codes, is packaged into payment for the primary service. A full list of APCs is published quarterly in the OPps final rules which are publicly available through the Centers for Medicare and Medicaid Services (CMS) website. Reimbursement for the disputed services is calculated as follows:
 - Procedure code 36415 has a status indicator of N, which denotes packaged items and services with no separate APC payment; payment is packaged into the reimbursement for other services, including outliers.
 - Procedure code 80053 has a status indicator of N, which denotes packaged items and services with no separate APC payment; payment is packaged into the reimbursement for other services, including outliers.
 - Procedure code 83690 has a status indicator of N, which denotes packaged items and services with no separate APC payment; payment is packaged into the reimbursement for other services, including outliers.
 - Procedure code 85025 has a status indicator of N, which denotes packaged items and services with no separate APC payment; payment is packaged into the reimbursement for other services, including outliers.
 - Procedure code 99283 has a status indicator of V, which denotes a clinic or emergency department visit paid under OPps with separate APC payment. These services are classified under APC 0614, which, per OPps Addendum A, has a payment rate of \$166.45. This amount multiplied by 60% yields an unadjusted labor-related amount of \$99.87. This amount multiplied by the annual wage index for this facility of 0.9549 yields an adjusted labor-related amount of \$95.37. The non-labor related portion is 40% of the APC rate or \$66.58. The sum of the labor and non-labor related amounts is \$161.95. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,900. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line is \$161.95. This amount multiplied by 200% yields a MAR of \$323.89.
3. The total allowable reimbursement for the services in dispute is \$323.89. This amount less the amount previously paid by the insurance carrier of \$323.89 leaves an amount due to the requestor of \$0.00. No additional reimbursement can be recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

_____	_____	October , 2014
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.